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Attorney Docket: 201818-0307164
Amendment in Response to non-final OA mailed July 1, 2009

REMARKS

Claims 1-25 remain pending in this application. Claims 1, 13, and 25 are independent. Claims 1, 13, and 25 have been amended, and no claims have been canceled or added by this Amendment.

No new matter is involved with any claim amendment, as support may be found throughout the originally-filed disclosure.

I.   Procedural Deficiency of the Office Action

Applicants note that the only explicit statement of the rejection of independent claim 25 is an indefiniteness rejection under 35 U.S.C. § 112, second paragraph. Although not provided in any other explicit statement of the rejection, it appears that the Examiner may have intended to also reject claim 25 under 35 U.S.C. § 103(a) as allegedly being unpatentable. If a Notice of Allowability is not forthcoming in response to this communication, clarification of any additional art rejection of independent claim 25 is requested in a new, Non-Final Office Action.

II.   Indefiniteness Rejection

Withdrawal of the rejection of claim 25 under 35 U.S.C. § 112, second paragraph, as allegedly being indefinite is requested. Although the conditional limitations (i.e., "if, then" types of limitations) of previously presented claim 25 are clearly believed to be definite and understandable to a person with skill in the art as previously presented, and notwithstanding the lack of any legal requirement that a claim recite every possible condition or result, independent claim 25 has been amended in a manner that is believed to overcome the stated basis for alleged indefiniteness in order to expedite prosecution of the present application.

III.   Unpatentability Rejection Over Lawrence in view of Barbara et al.

Withdrawal of the rejection of claims 1-3. 5-15 and 17-24[1] under 35 U.S.C. §102(e) as allegedly being unpatentable over Lawrence (US 2003/0233319) in view of Barbara et al. (US 2003/0105710) ("Barbara") is requested. The Examiner has not established a *prima facie* case for unpatentability, at least because the suggested combination does not disclose, teach, or suggest each claimed limitation of at least independent claims 1 and 13, particularly as amended.

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[1] NOTE: Independent claim 25 has not been explicitly rejected over any art of record.

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A.   Legal Requirements for Unpatentability

At the outset, Applicant notes that, to establish a *prima facie* case of obviousness, three basic criteria offer useful insights. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference must teach or suggest all the claim limitations.[2] Further, the teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure.[3] The Supreme Court recently held that it is necessary, *inter alia*, for a court to look to interrelated teachings of multiple patents in order to determine whether there was an apparent reason to combine the known elements in the claimed. In this regard, the Court held "[t]o facilitate review, this analysis should be made explicit."[4] "[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness."[5]

B.   Discussion of Lawrence

According to its Abstract, Lawrence is purportedly directed to methods and systems for managing risk related to transfer of funds. The method can be implemented in a computer system and indicating in the computer system that a person is a transaction participant according to the person's status as at least one of: a transaction originator; a transaction intermediary, a transaction recipient or a transaction beneficiary. Data can be gathered into the computer system generally related to one or more risk variables. Data can also be received relating details of a financial transaction. The received data can be structured to generally relate to one or more risk variables according to risk criteria. One or more reports can be generated which relate to risk due diligence wherein the report includes an indication that the transaction participant is associated with elevated risk and at least some of the structured data.

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[2] *See* MPEP §2143.
[3] *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991) and *See* MPEP §2143.
[4] *KSR Int'l. Co. v. Teleflex Inc.*, 550 U.S. ___ (2007) (*see* p. 14).
[5] *See Id.*, citing *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006).

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Lawrence further asserts that it relates to a method and system for facilitating the identification, investigation, assessment and management of legal, regulatory, financial and reputational risks ("Risks"). In particular, Lawrence allegedly relates to a computerized system and method for banks, non-bank financial institutions and any other entity involved in financial transactions to access information compiled on a worldwide basis and relate such information to a risk variable, such as a political or geographic area involved in a wire transfer, wherein the information is conducive to quantifying and managing financial, legal, regulatory and reputational risk associated with the transaction.

Lawrence attempts to respond to various obligations of Financial Institutions that can include those imposed by the Department of the Treasury and the federal banking regulators which adopted suspicious activity report ("SAR") regulations. SAR regulations can require that a Financial Institution file a SAR whenever the institution detects a known or suspected violation of federal law, or a suspicious transaction related to a money laundering activity or a violation of the Bank Secrecy Act (BSA). Such regulations can impose a variety of reporting obligations on a Financial Institution. Perhaps most broadly relevant to the purported invention of Lawrence, the reporting obligations require an institution to report transactions aggregating to $5,000 that involve potential money laundering or violations if the Financial Institution, knows, suspects, or has reason to suspect that the transaction involves funds from illegal activities, is designed to disguise such funds, has no business or legitimate purpose, or is simply not the sort of transaction in which the particular customer would normally be expected to engage, and the institution knows of no reasonable explanation for the transaction after examining the available facts.

Thus, Federal regulators require that Financial Institutions are subject to significant obligations to "know" their customer and to engage in adequate monitoring of transactions. However, bank personnel generally do not have a mechanism available to provide real time assistance to assess a risk factor or otherwise qualitatively manage risk. In the event of a problem, it is often difficult to quantify to regulatory bodies, shareholders, newspapers and other interested parties, diligence exercised by the Financial Institution to properly identify and respond to risk factors. Absent a means to quantify good business practices and diligent efforts to contain risk, a Financial Institution may appear to be negligent in some respect.

Lawrence purportedly responds to the above risks by a method and system that allegedly draws upon information gathered globally and which is utilized to assist with risk

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management and due diligence related to wire transfers. To alleviate problems inherent in the prior art, Lawrence introduces systems and methods to facilitate ascertaining and managing Risks associated with a wire transfer of money. Whatever valid purpose the purported invention of Lawrence serves in mitigating "suspicious activity", Lawrence does not address "guaranteed funding" of a financial transfer of funds, as specifically claimed by Applicant.

Lawrence discloses at paragraph [0023] that a depository institution that maintains a reserve or clearing account with a Federal Reserve Bank *may use* FEDWIRE® to send payments to, or receive payments from, other account holders directly. Lawrence goes on in that paragraph to indicate that other transfers can include SWIFT, FUNDS, CHIPS, National Automated Clearinghouse Association (NACHES) formatted transfers, or other electronic or wire transfer platform. *Lawrence clearly is not directed to, and even more clearly does not provide a teaching or suggestion of coupling FEDWIRE transfers with these other types of transfers to provide guaranteed funding of funds transfers from the U.S. to non-U.S. entities.*

The Examiner admits that Lawrence is deficient with respect to providing a teaching or suggestion of providing guaranteed, self-funding of the transaction to the Receiver Financial Institution, and asserts that Barbara makes up for this admitted deficiency. Applicants traverse this characterization, particularly with respect to independent claims 1 and 13, as amended.

C.   Discussion of Barbara

According to its Abstract, Barbara is purportedly directed to a method and system for on-line payments that makes use of computer hardware and software and utilizes, for example, a payment engine that facilitates the making of payments via the Internet. A user enrolls for the on-line payments service, designates a source account for the on-line payments, and is provided a transaction account as a money deposit account with an account number that the user can use as a source and a destination of funds and with one or more service levels. The user can make, for example, on-line payments, on-line and/or off-line purchases, cash withdrawals at an ATM, credit card account payments, bill payments, and/or international payments with funds in the transaction account and/or a line of credit associated with the transaction account. A quick enrollment aspect of the on-line payments services pre-

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qualifies the customers of a third party on-line service provider, such as an ISP, for the service. A funds transfer capability aspect provides, for example, an instant availability of funds for the customer.

However, Applicants note that any "self-funding" taught or suggested by Barbara *does not provide guaranteed, final and irrevocable self-funding of the transaction to the Receiver Financial Institution that prevents any deficiencies in the self-funding*, as presently claimed.

D. Specific Deficiencies of Lawrence and Barbara with Respect to the Claims

1. Independent Claim 1

The applied art does not disclose, teach, or suggest a computer-implemented method for processing a payment to a financial transaction beneficiary located in a foreign country, wherein the method includes, *inter alia*, "*receiving, in a computer processor at a Receiver Financial Institution, financial transaction payment instructions from a Client Bank over a computer network in a format associated with a settlement funds transfer system used for funding domestic credit transfer transactions and that provides guaranteed, final and irrevocable self-funding of the transaction to the Receiver Financial Institution that prevents any deficiencies in the self-funding*; analyzing, by the computer processor, the received financial transaction payment instructions; and *generating, in the computer processor, foreign financial transaction payment instructions for at least one financial institution located in a foreign country and transmitting the payment instructions over the computer network, the foreign financial transaction payment instructions including data in a funds transfer messaging service format that is compatible with both the Receiver Financial Institution and the at least one financial institution, wherein said guaranteed, self-funding of the transaction comprises both the Receiver Financial Institution and the Client Bank being members of the settlement funds transfer system, wherein said members are required to settle transactions initiated using the system daily, and wherein any deficiencies in funding amounts are prevented by guarantee procedures of a central banking authority that controls the settlement funds transfer system*," as recited in independent claim 1, as amended (*emphasis* added).

Support for the amendment to claim 1 may be found, for example, at least at paragraph [0042].

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2. Independent Claim 13

Further, the applied art, Lawrence, does not disclose a mechanism for processing a payment to a financial transaction beneficiary located in a foreign country, wherein the mechanism includes, *inter alia*, "*a computer network interface at a Receiver Financial Institution configured to receive payment instructions from a Client Bank in a format associated with a settlement funds transfer system used for funding domestic credit transfer transactions and that provides guaranteed final and irrevocable self-funding of a transaction to the Receiver Financial Institution that prevents any deficiencies in the self-funding*; and at least one processor including software for analyzing the received payment instructions and *generating foreign financial transaction payment instructions for at least one financial institution located in a foreign country, the foreign financial transaction payment instructions including data in a funds transfer messaging service format that is compatible with both the Receiver Financial Institution and the at least one financial institution, wherein said self-funding of the transaction comprises both the Receiver Financial Institution and the Client Bank being members of the settlement funds transfer system, wherein said members are required to settle transactions initiated using the system daily, and wherein any deficiencies in funding amounts are prevented by guarantee procedures of a central banking authority that controls the settlement funds transfer system,*" as recited in independent claim 13, as amended (*emphasis* added).

Support for the amendment to claim 13 may be found, for example, at least at paragraph [0042].

Accordingly, since the applied art does not disclose all the claimed limitations, particularly with respect to independent claims 1 and 13, as amended, reconsideration and allowance of independent claims 1 and 13 and dependent claims 2-12 and 14-24 are respectfully requested.

E. General Discussion of the Rejection and Cited Art

One major issue remaining in the rejections appears to be in the "guaranteed, self-funding" aspects of the claimed invention. The Examiner appears to equate the use of a credit card, for example, in Barbara to fund a checking account, with "guaranteed, self-funding" as provided, for example, by use of Fedwire® or other funding system guaranteed by a Central Bank authority. However, Applicants respectfully submit that this type of "self-

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funding" is very different from Applicants' claimed "self-funding" in that *Applicants' use of the term "self-funding" means that the funding provides guaranteed, final and irrevocable self-funding of the transaction to the Receiver Financial Institution that prevents any deficiencies in the self-funding*, as would be understood by a person with ordinary skill in the art. These are obviously different financial concepts, as a credit card charge, for example, may be reversed, depending on bank policy.

The Federal Reserve's "Fedwire" system helps banks make payments to one another by using their credit at the Federal Reserve Banks ("Fed"). Fedwire fund transfers are initiated by a sending bank. The Fed processes the sender's instruction, debits (reduces) the sender's account at the Fed and credits (increases) the Fed account for the receiving bank. The Fed will credit the receiver's account even if the sender doesn't have enough money of its own at the time of the transfer. This is an element of what the Fed calls "finality." Once its account is credited by the Fed, the receiving bank is insulated if the sending bank does not have the funds at the end of the day. If the sending bank can't pay, however, the Fed will pay. This aspect is encompassed by the recitation of "*guaranteed, final and irrevocable self-funding of the transaction to the Receiver Financial Institution that prevents any deficiencies in the self-funding.*"

The "guaranteed funding" aspect of the transaction in Applicant's claimed invention is accomplished in one or more embodiments by use of a funds transfer system (e.g., FEDWIRE®") which, by its nature and by *binding agreement* between banks authorized to make such transactions, *requires the parties to honor the transaction and to clear any funds required by the funds transfer within a certain time frame*. This is clearly different from the consumer transactions disclosed by Barbara, e.g., credit card to checking account transfer.

Further, Applicants reiterate that Fedwire guaranteed funds transfers heretofore have *only* been used in domestic U.S. financial transactions, and have not been used before, until Applicant's claimed invention, to make international funds transfers, i.e., from the U.S. to non-U.S. countries with the same security and guaranteed funding as in a conventional FEDWIRE transaction. An example of a system broadly covered by the present application include the Assignee's "Persutte" International Payment Processing System, which has enjoyed great commercial success.

Accordingly, reconsideration and allowance of claims 1-24 are respectfully requested.

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IV.   Unpatentability Rejection over Lawrence and Barbara in view of SWIFT.com

Withdrawal of the rejection of claims 4 and 16 under 35 U.S.C. §103(a) as being unpatentable over Lawrence and Barbara in view of SWIFT.com is requested. The deficiencies of Lawrence and Barbara been discussed above, particularly with respect to independent claims 1 and 13, as amended.

The Examiner admits that Lawrence and Barbara is deficient with respect to providing a teaching or suggestion of "foreign financial transaction payment instructions which comply with SWIFT MT 103 specifications (i.e. messaging standards)," and alleges that SWIFT.COM makes up for this admitted deficiency.

A.   Discussion of SWIFT.COM and its Deficiencies

This non-patent literature reference is relied upon by the Examiner to provide a teaching of the SWIFT MT103 message. While the use of SWIFT MT103 is certainly acknowledged, SWIFT.COM, however, does not make up for the deficiencies of Lawrence discussed above with respect to the unpatentability rejection of independent claims 1 and 13, from which claims 4 and 16 respectively depend, as further discussed below.

In particular, SWIFT.COM does not teach or suggest " receiving, in a computer processor, financial transaction payment instructions from a Client Bank over a computer network in a format *associated with a settlement funds transfer system that provides guaranteed, final and irrevocable self- funding of the transaction* to a Receiver Financial Institution..." as recited in independent claim 1, from claim 4 depends.

In addition, SWIFT.COM does not teach or suggest "an interface for receiving payment instructions from a Client Bank *in a format associated with a settlement funds transfer system that provides guaranteed, final and irrevocable self- funding of a transaction to a Receiver Financial Institution*," as recited in independent claim 13 from which claim 16 depends.

Since the combination of Lawrence/Barbara and SWIFT.COM do not teach or suggest all the claimed limitations of independent claims 1 and 13 (either before or after amendment) from which claims 4 and 16 respectively depend, reconsideration and allowance of claims 4 and 16 are respectfully requested.

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V.   Conclusion

All rejections having been addressed, Applicant submits that each of pending claims 1-25 in the present application is in immediate condition for allowance. An early indication of the same would be appreciated.

For any fees that are due, including fees for extensions of time or other fees that might be necessary during the pendency of this application, please charge Deposit Account Number 03-3975 under Order No. 201818-0307164 from which the Undersigned Attorney is authorized to draw. The Commissioner for Patents is also authorized to credit any over payments to the above-referenced Deposit Account.

Due Date: December 1, 2009   Respectfully submitted,

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